

Pemandu: Subsidy cuts put on hold
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The federal government has shelved plans to slash subsidies in view of rising cost of living, said the Performance Management and Delivery Unit (Pemandu).

According to a Nanyang Siang Pau news alert, Pemandu, a think tank under the Prime Minister's Department, said the measure is purely temporary.

Pemandu had once aggressively promoted Putrajaya's "subsidy rationalisation" plan, in a bid to reign in on its free-wheeling subsidy costs.

Putrajaya has projected that it would spend RM33.2 billion for subsidies in 2012, which it blames for its budget deficit woes.

The last round of subsidy cuts was in June last year - involving sugar, fuel and electricity tariff - just a month after Pemandu chief Idris Jala's charm offensive.

Idris Jala had argued that the subsidy rationalisation plan was necessary or Malaysia will become bankrupt in nine years, in the same fashion as Greece.

However, there has been no follow up action over the past nine months as Prime Minister Najib Abdul Razak steps up efforts to prepare for the 13th general election.

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